

Treasury Department,

Bureau of the Mint,

Washington, D. C., Feb. 28, 1899.

Mr. A. O. Bunnell,

Dansville, New York.

Dear Sir:

I am in receipt of a copy of your paper dated February 16th, containing a marked article by Dr. E. P. Miller of New York. I had occasion some months ago to write a letter upon that subject and am moved to send you a copy of a portion of it, which is hereby enclosed. I am at a loss to understand how anyone who holds, as Dr. Miller seems to, that it is important to the country that the green-backs should be kept at par with gold, can be willing to have the Republican party go out of power without leaving some provisions to that end that will operate until their repeal. A man who believes in the Protective tariff would not want the tariff act to endure simply during the term of or at the discretion of the Secretary of the Treasury or the President. The Dingley Tariff Act will stand in force until there is such a reversal of public opinion as to elect both Houses of Congress and the President favorable to its repeal. And just so our monetary policy should be embedded in the statutes so that only the deliberate action of the people could overthrow it.

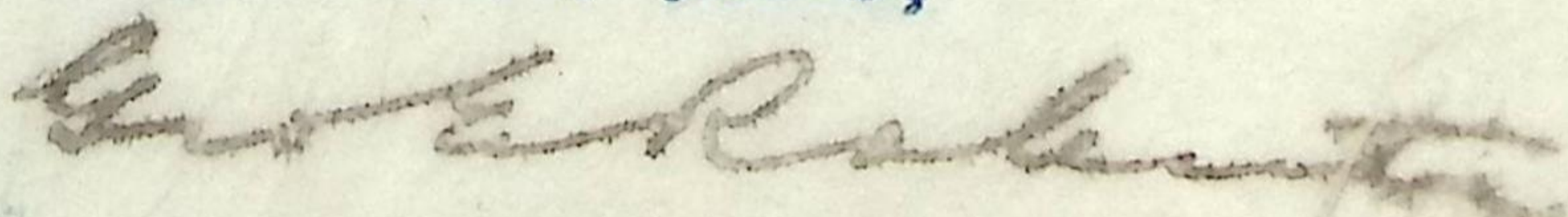
Dr. Miller conveys the idea that some contraction of the circulating medium would result from carrying out the President's

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suggestion that greenbacks once in the Treasury should be paid out only in exchange for gold. That is untrue. The gold is already in the Treasury. If it goes out in exchange for an equal quantity of greenbacks there is no contraction; and if again the greenbacks go out in exchange for gold there is no contraction. The volume of currency in circulation is unchanged. We would have, however, an automatic process independent of the President and Cabinet and so it ought to be.

I may add that I think Dr. Miller is unnecessarily apprehensive of the effect of a bank note currency. That kind of a currency will do its work, dollar for dollar, as efficiently as any other. The public knows no difference between the work done by our present bank note currency and that done by our greenbacks, or gold or silver. The only question involved in the bank note system is that of assuring their convertibility into gold on demand. It may be allowed that there are differences of opinion as to how that shall be effected but if it can be made certain there is no other form of currency which is so readily responsive to the needs of the business community as a bank note currency.

Respectfully yours,



Director of the Mint.